



# Department of Workforce Services Single Audit Findings

JANUARY 31, 2014



Office of the  
Utah State Auditor

# Mission Statement

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The Office of the Utah State Auditor provides  
provide Utah taxpayers and government  
officials with an independent assessment of  
financial operation, statutory compliance, and  
performance management for state and local  
government.



# Key Audit Team Members

## Dept. of Workforce Services

- Hollie Andrus, Director
- Janica Gines, Supervisor
- Jason Allen
- Jenny Coblentz
- Ariane Gibson
- Steve Miller

## Dept. of Health

- Van Christensen, Director
- Stacey Whipple, Supervisor
- Melanie Henderson
- Debbie Davis
- Trent Henke
- Lisa McComb
- Eric Walker



# Scope of Audit

- DWS portion of the audit of the State's financial statements as of and for the fiscal year ended June 30, 2013
- DWS portion of the statewide federal compliance audit for the fiscal year ended June 30, 2013



# Findings and Recommendations

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Report contains 11 findings and  
recommendations

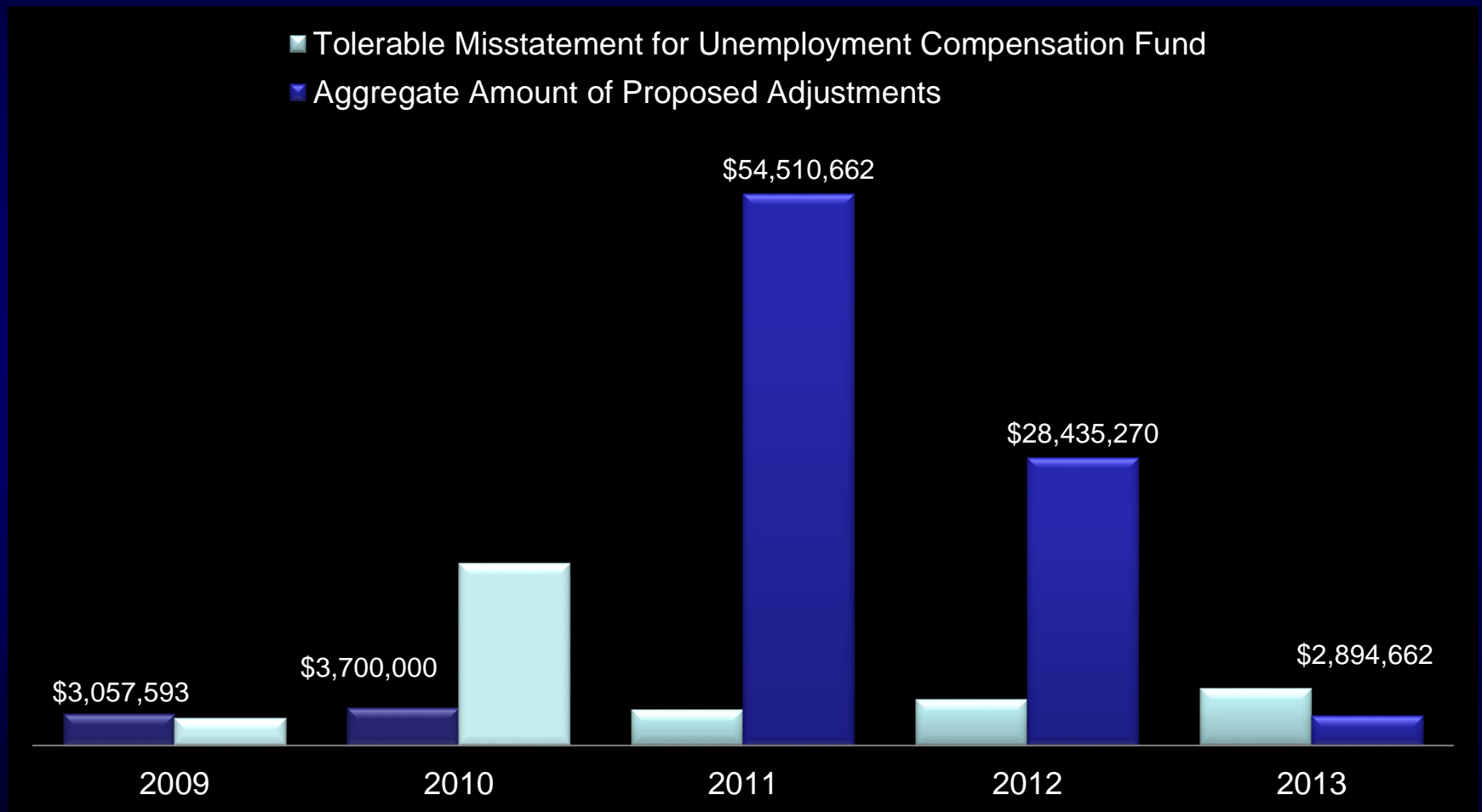


# “Material Misstatement”?

A “material misstatement” is generally defined as being large enough or important enough to cause stakeholders to alter their decisions.



# Audit Adjustments for the Unemployment Compensation Fund



# Single Audit

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- Focuses on compliance with federal regulations
- Does not evaluate efficiency or efficacy of the program



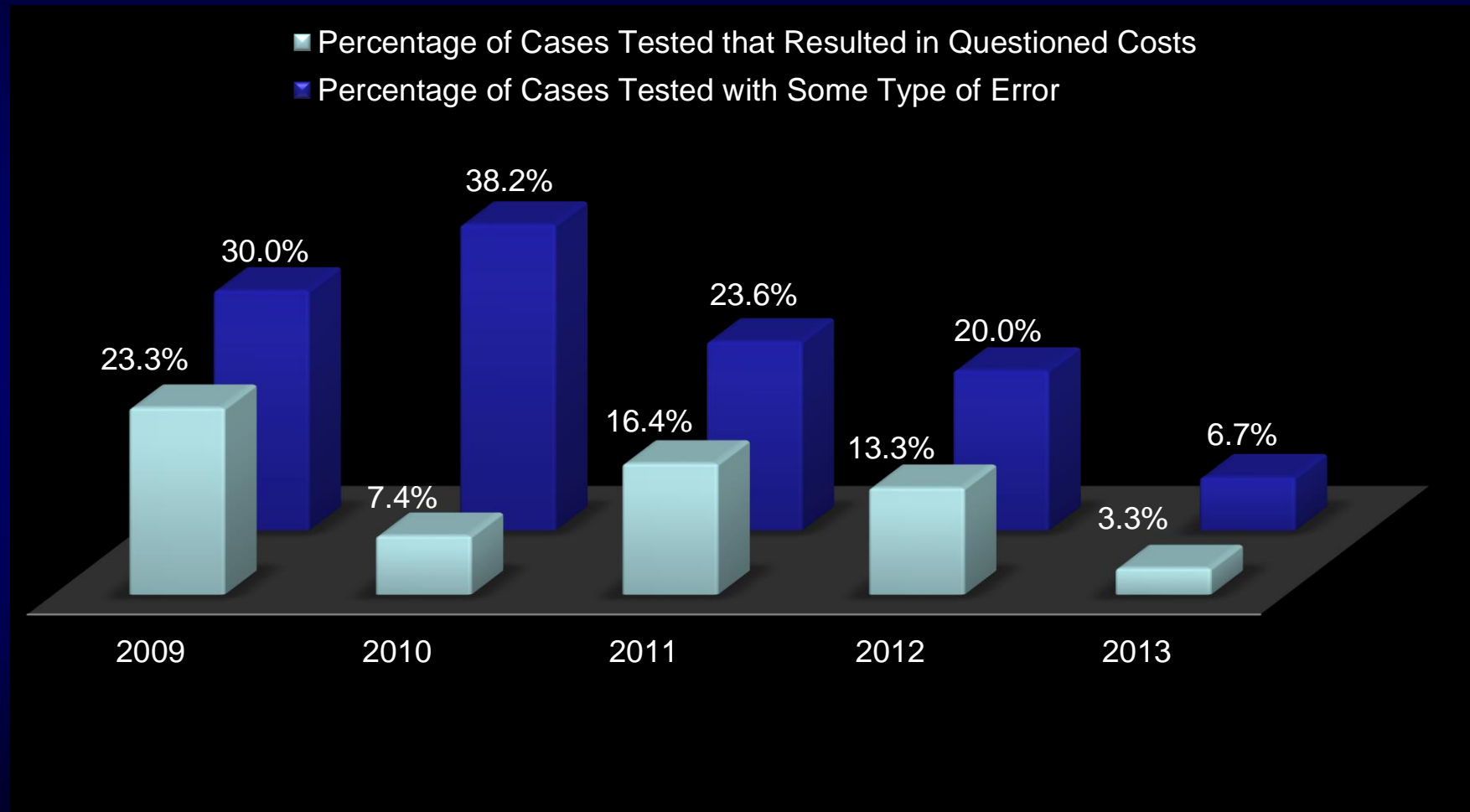


# Federal Programs Tested at DWS

- Unemployment Insurance (UI) Program
- Supplemental Nutrition Assistance Program (SNAP)
- Child Care and Development Fund (CCDF)
- Temporary Assistance for Needy Families (TANF)
- Workforce Investment Act (WIA)
- Low-Income Home Energy Assistance Program (LIHEAP)
- Employment Services Program (ES)

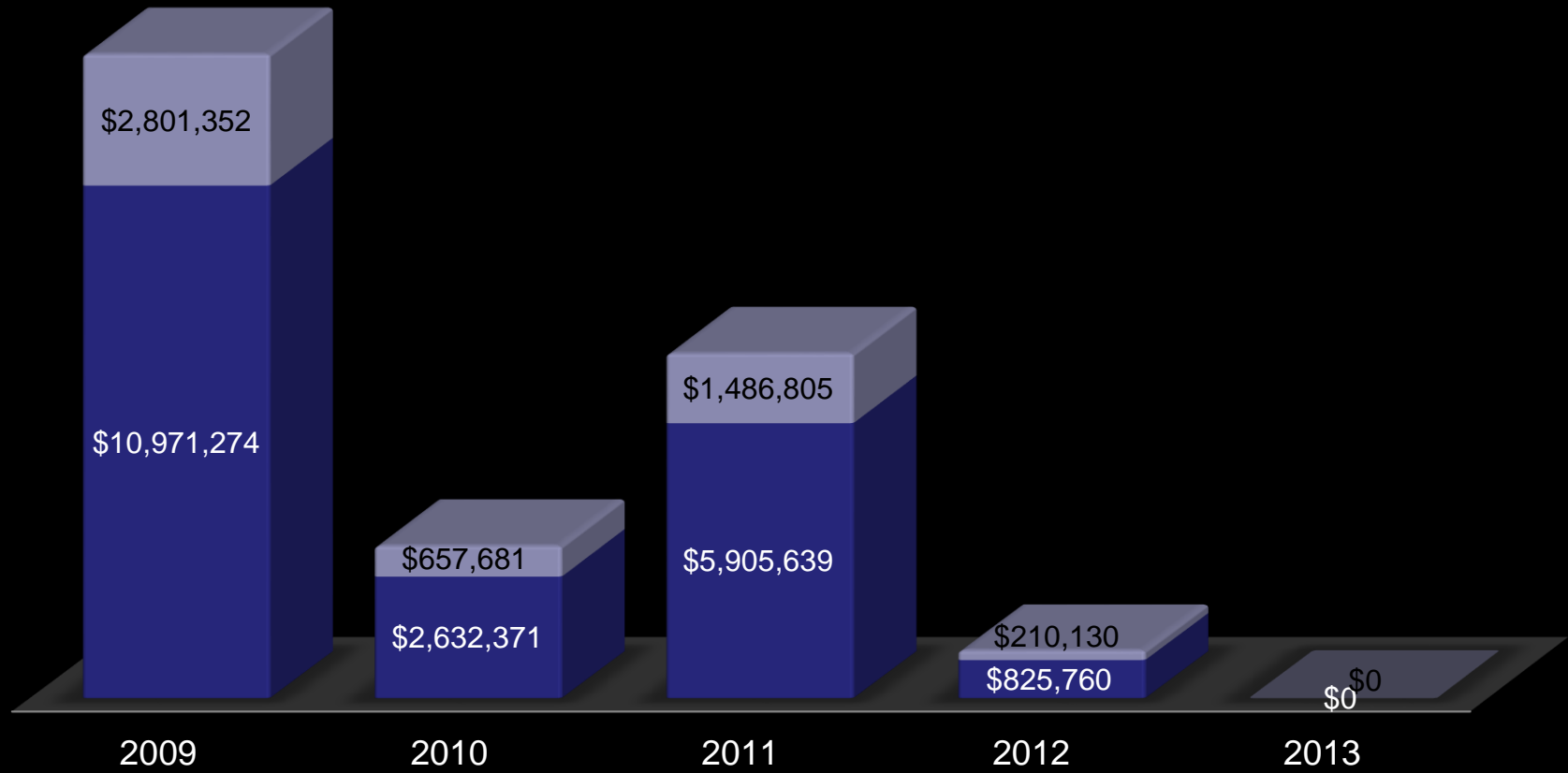


# Children's Health Insurance Program Error Rates Identified in Audit

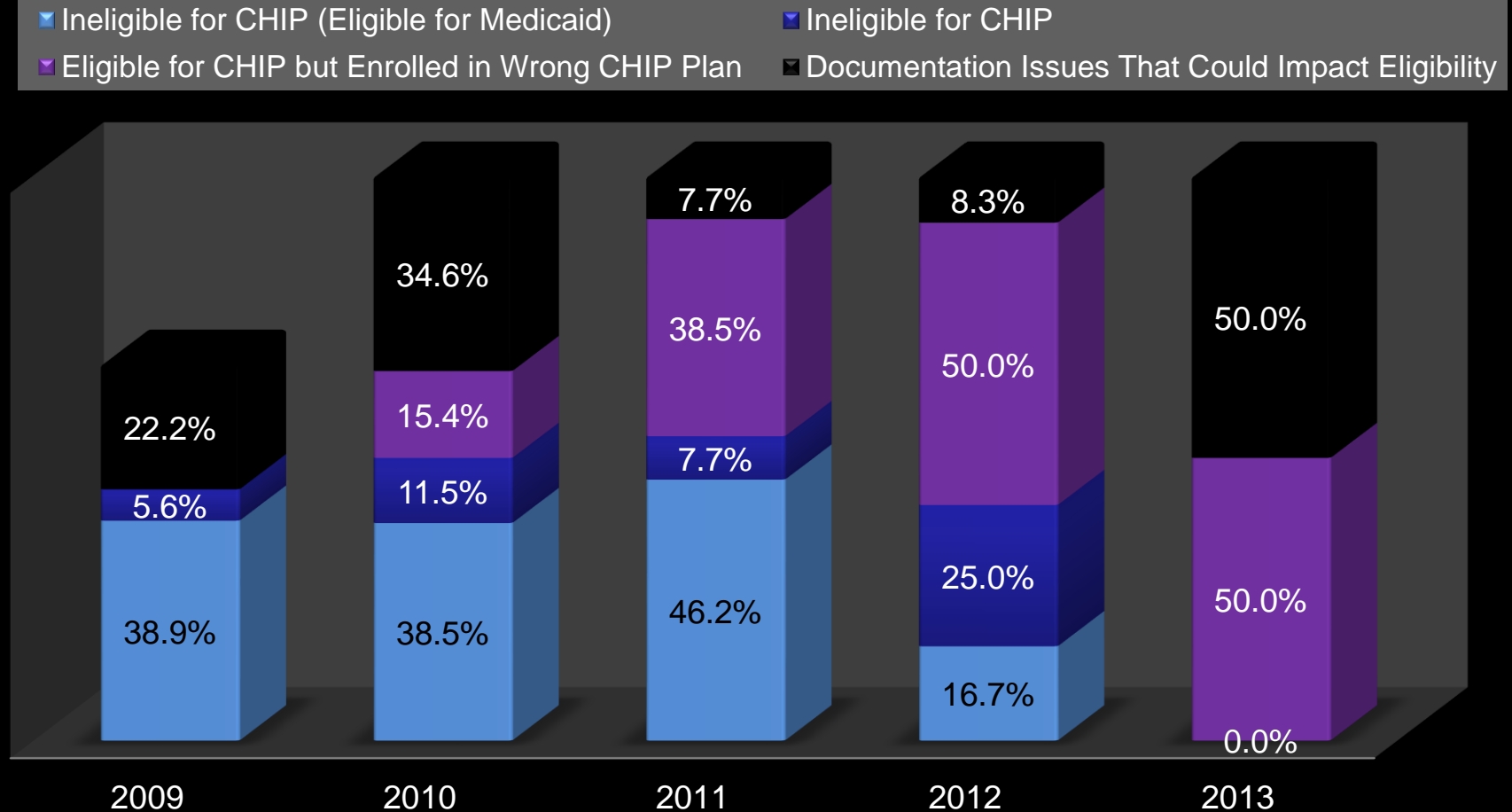


# Children's Health Insurance Program Projected Questioned Costs

■ Federal Portion of Projected Questioned Costs ■ State Portion of Projected Questioned Costs

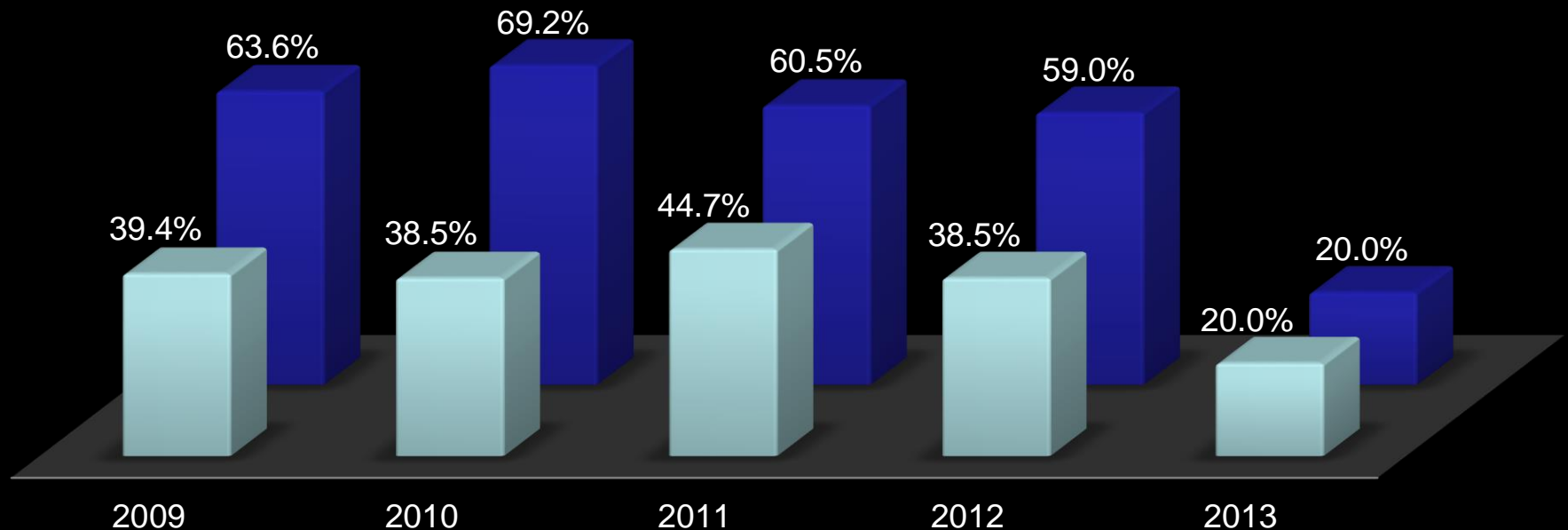


# Breakdown of CHIP Eligibility Errors Identified

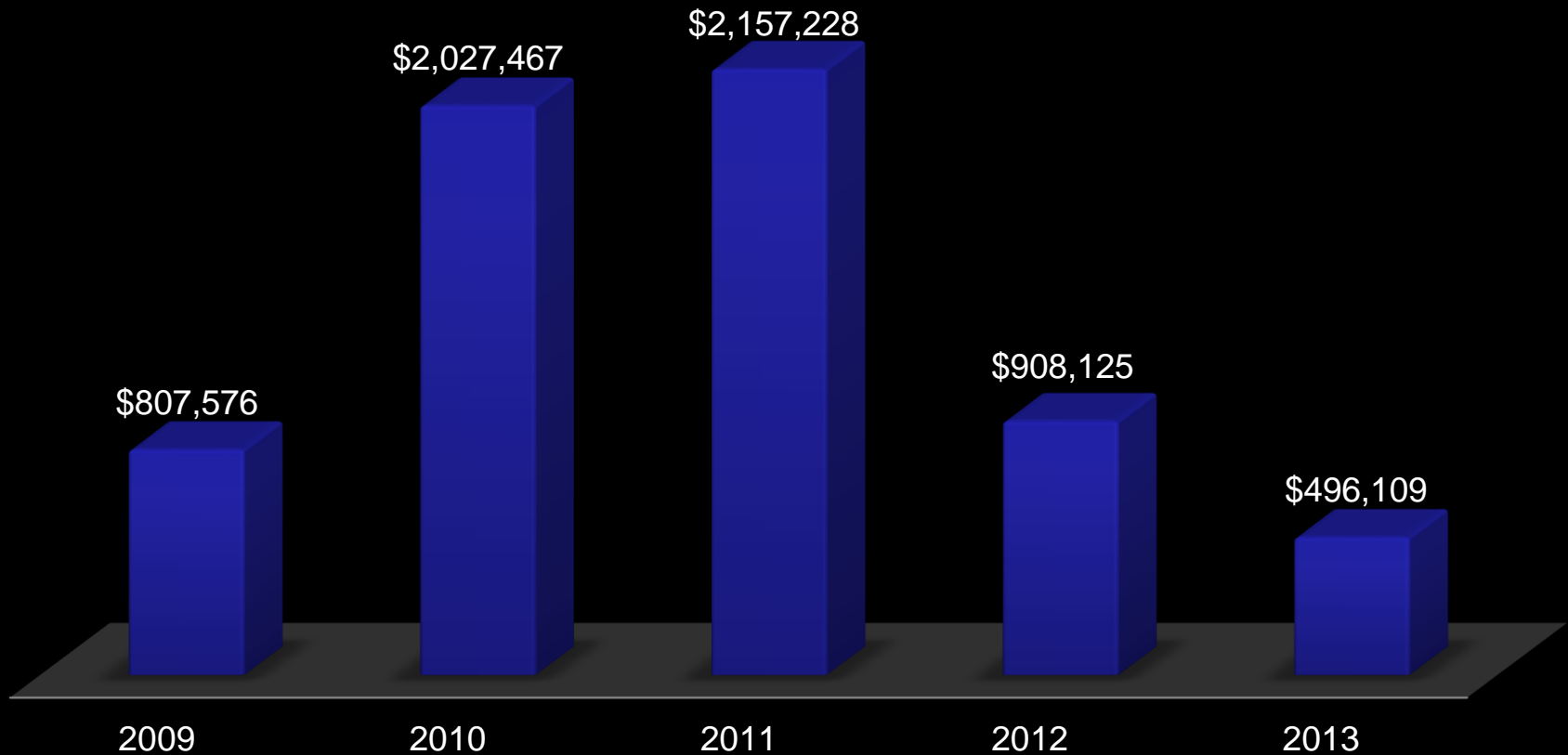


# Workforce Investment Act (WIA) Error Rates Identified

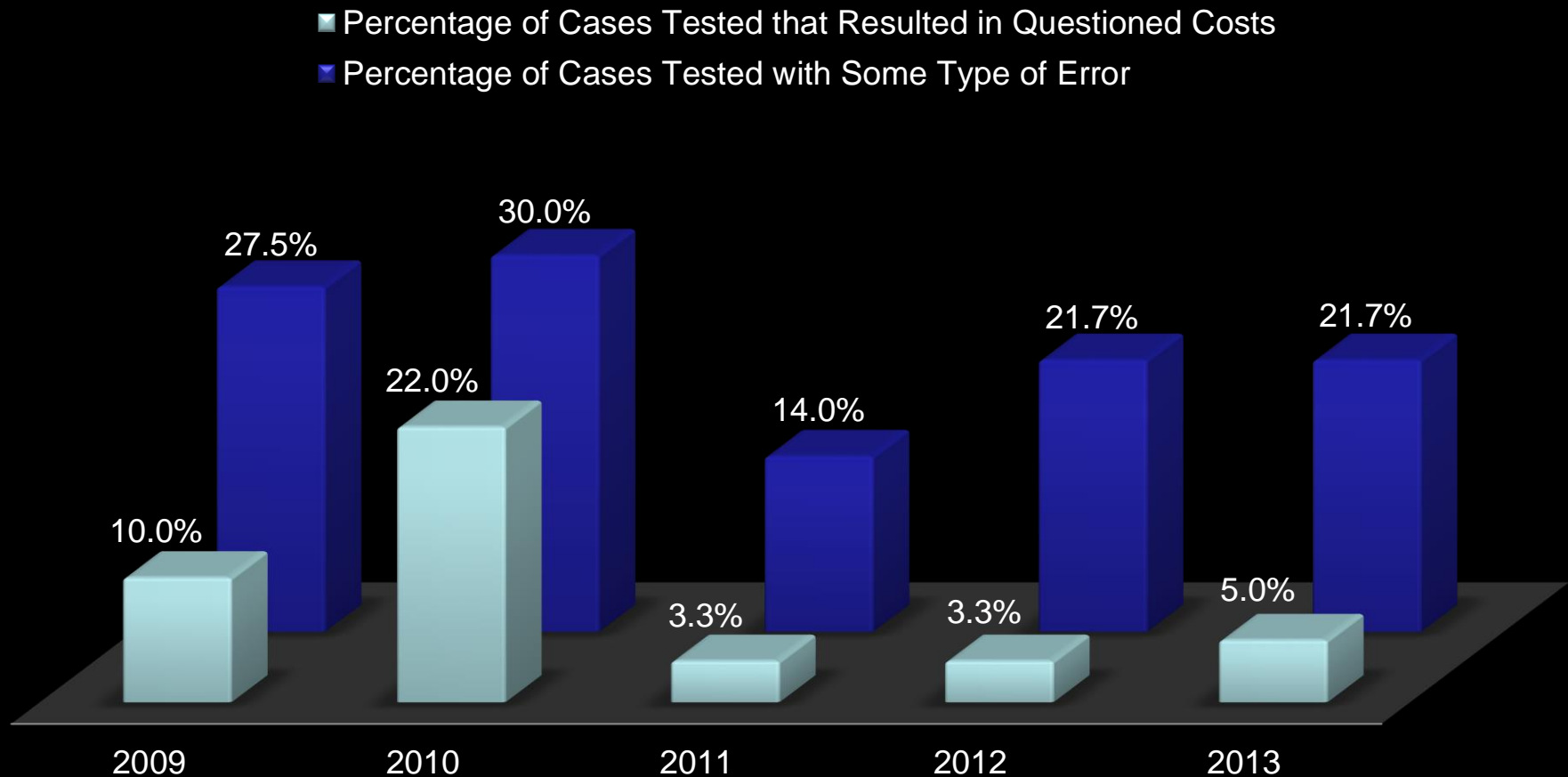
- Percentage of Cases Tested that Resulted in Questioned Costs
- Percentage of Cases Tested with Some Type of Error



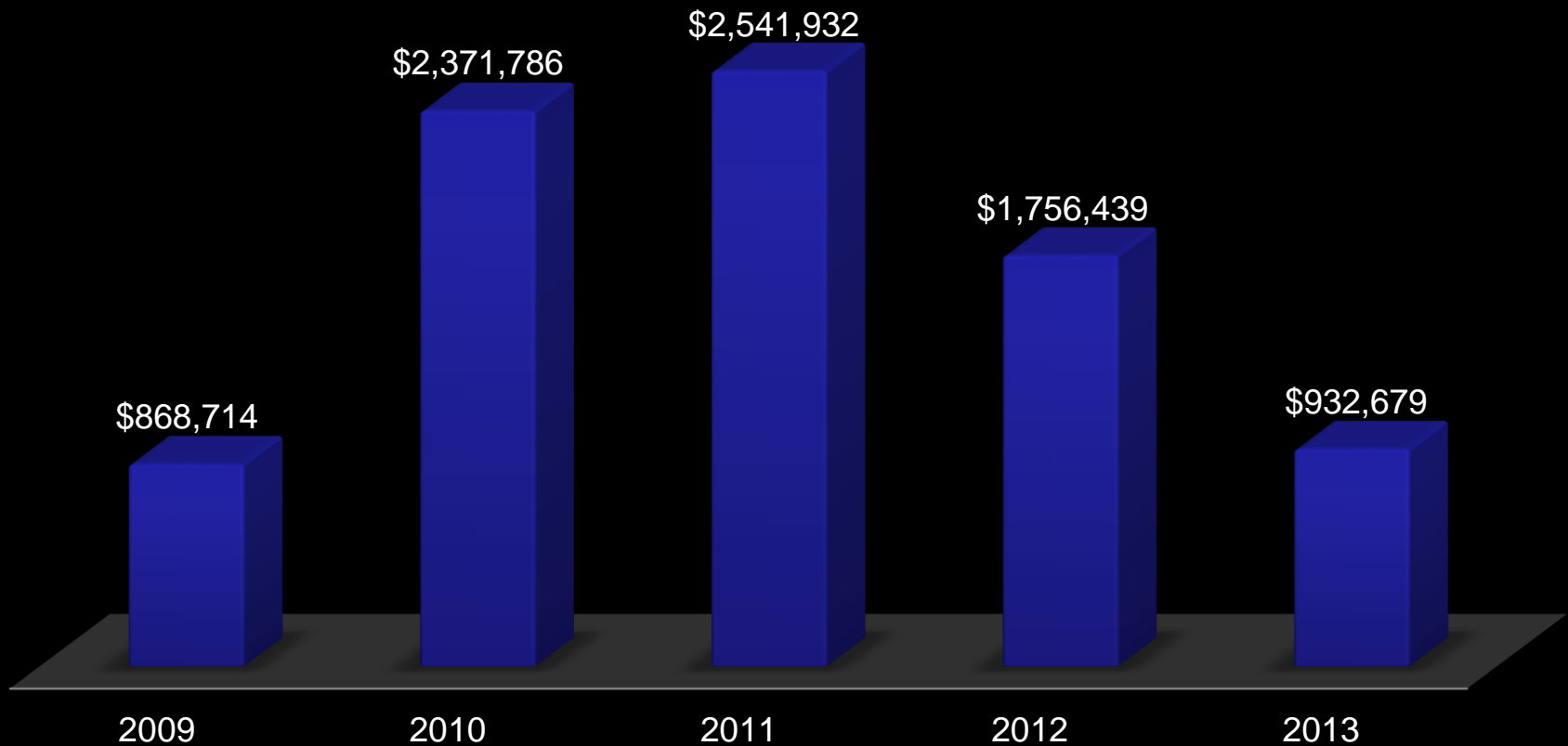
# Workforce Investment Act (WIA) Projected Questioned Costs



# Child Care and Development Fund Error Rates Identified



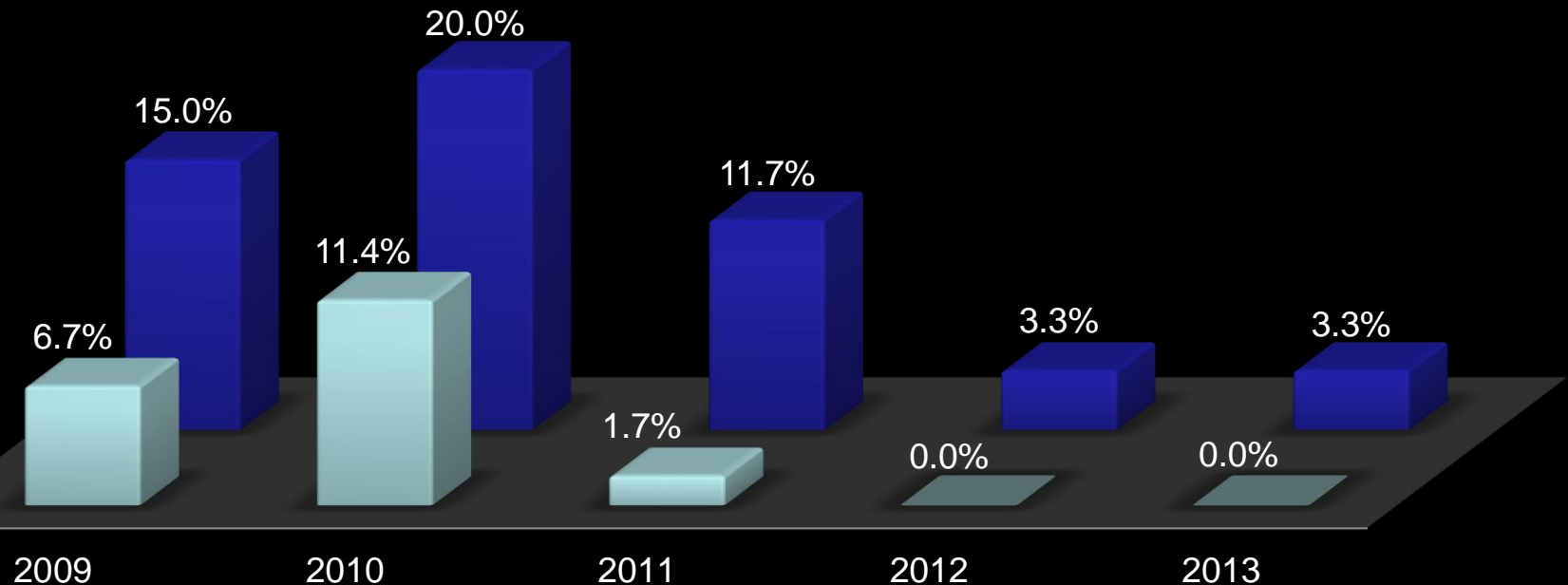
# Child Care and Development Fund Projected Questioned Costs





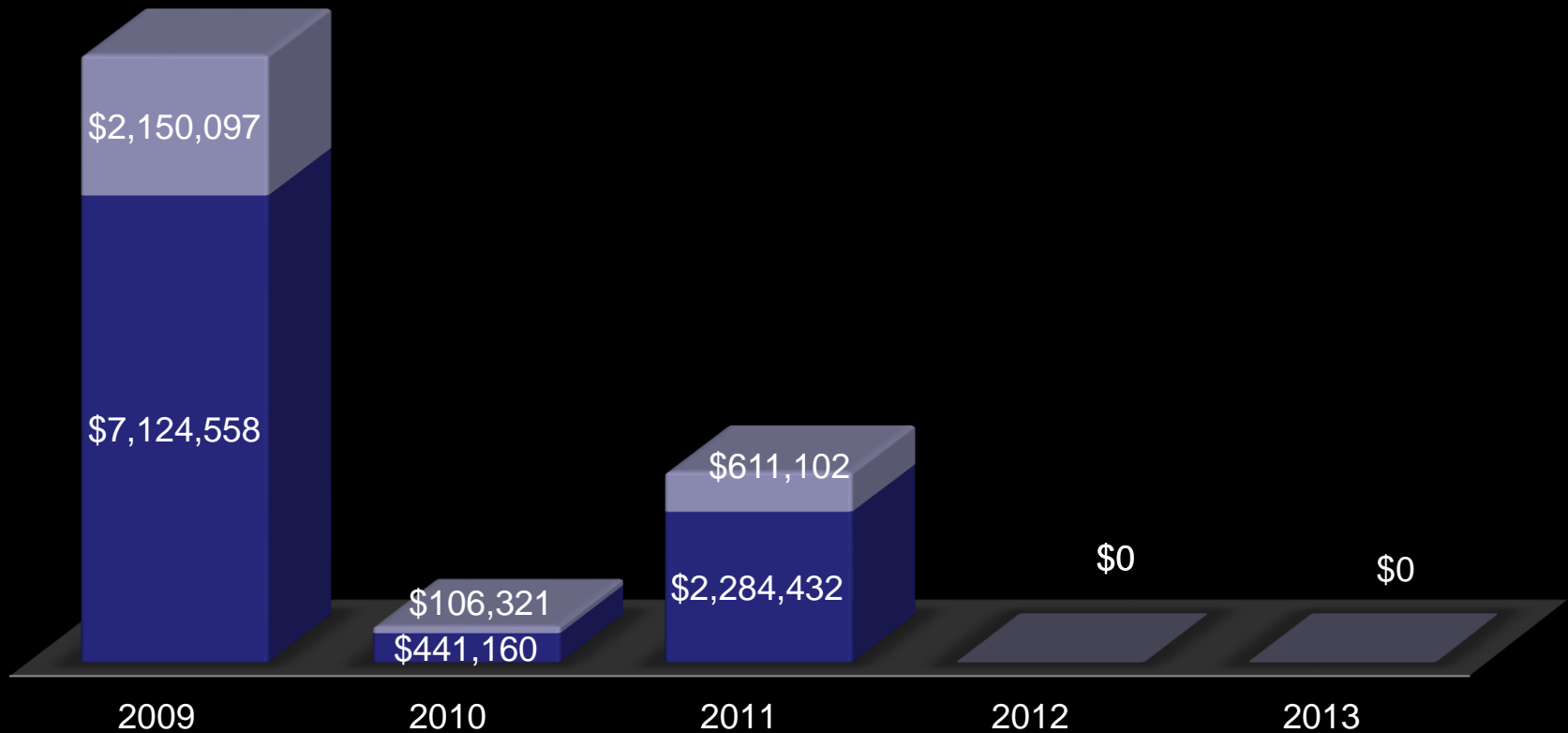
# Medicaid Error Rates Identified

- Percentage of Cases Tested that Resulted in Questioned Costs
- Percentage of Cases Tested with Some Type of Error



# Medicaid Projected Questioned Costs

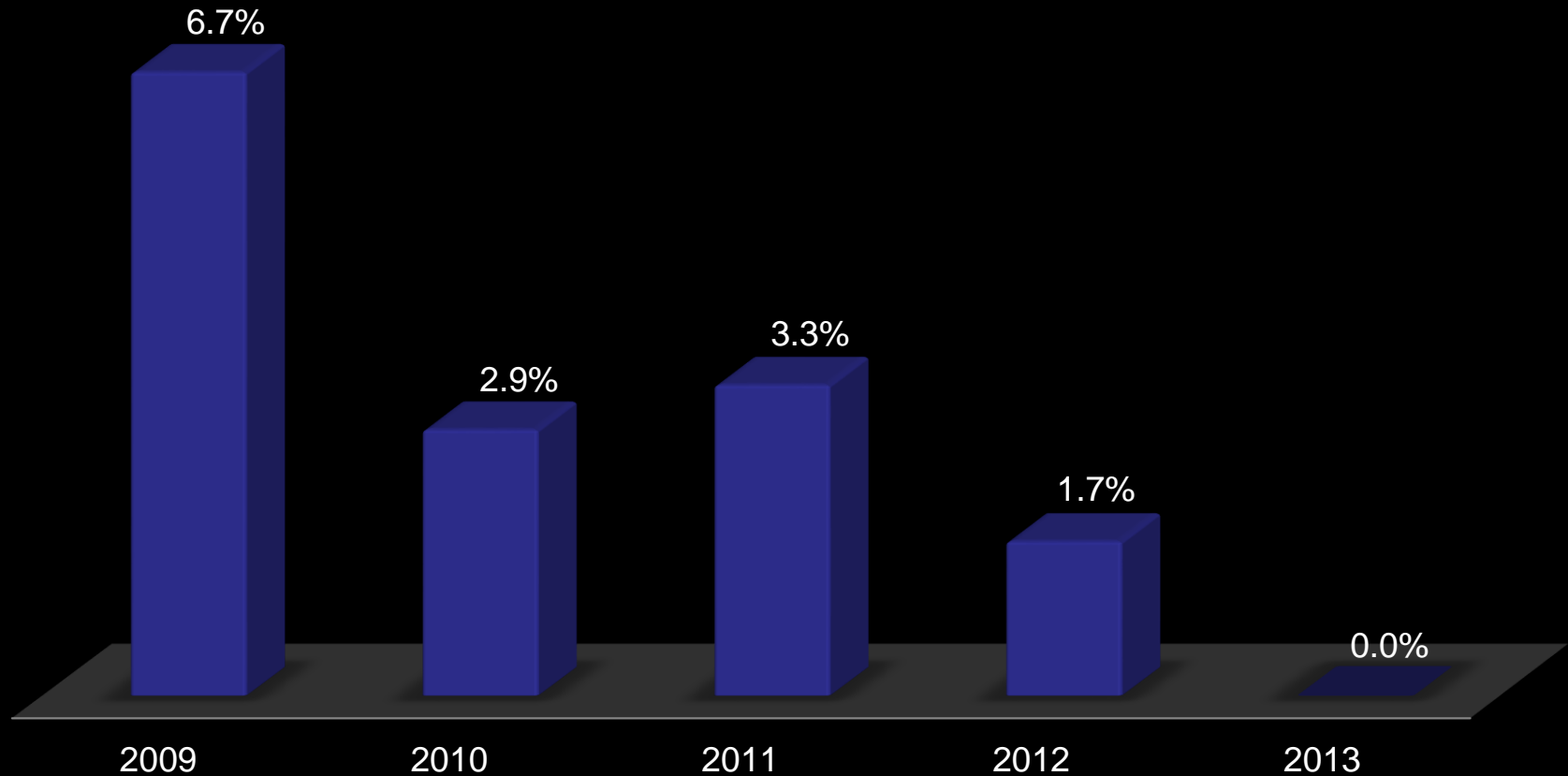
■ Federal Portion of Projected Questioned Costs ■ State Portion of Projected Questioned Costs



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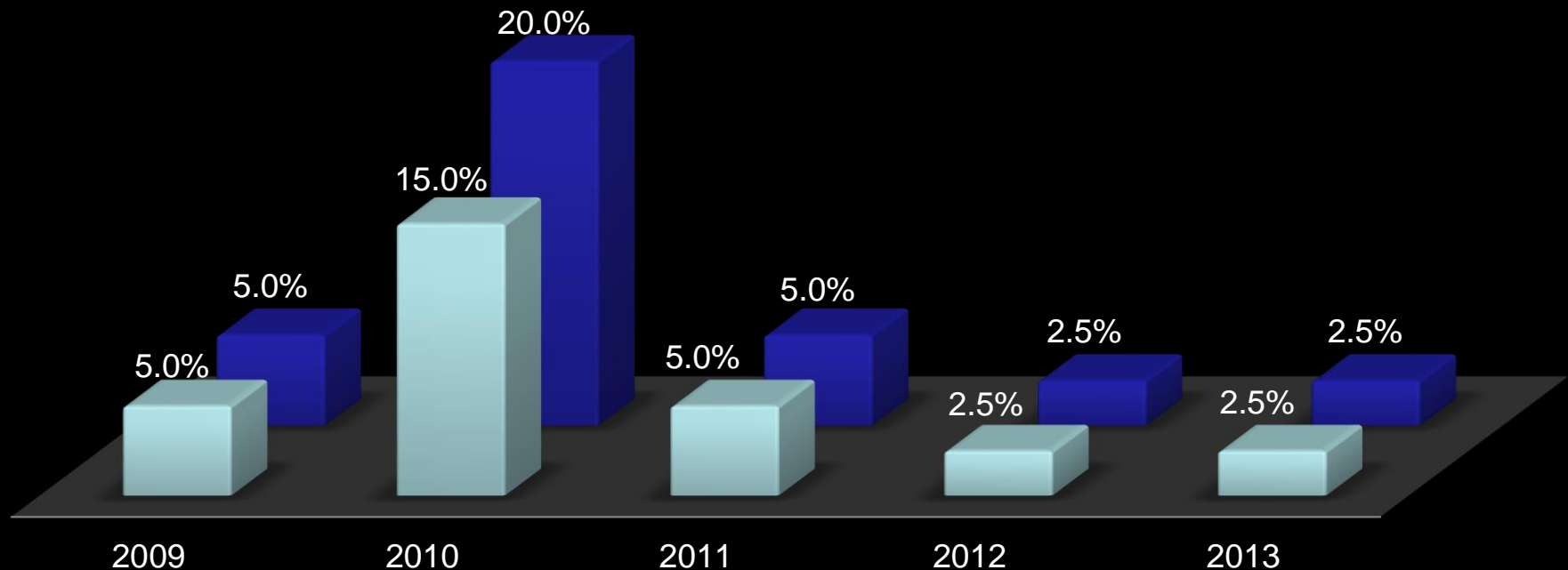
# Medicaid Third-Party Liability Errors

■ Percentage of Cases Tested with Some Type of Error



# Temporary Assistance for Needy Families Error Rates Identified

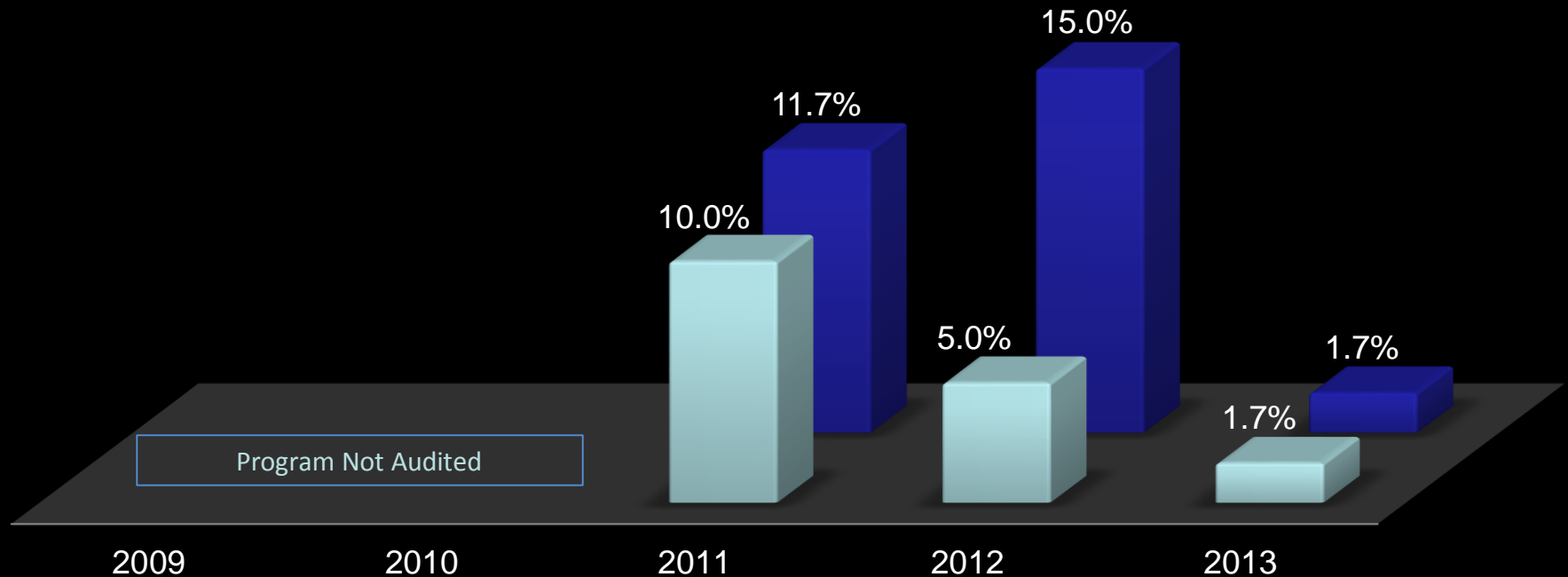
- Percentage of Cases Tested that Resulted in Questioned Costs
- Percentage of Cases Tested with Some Type of Error



# LIHEAP

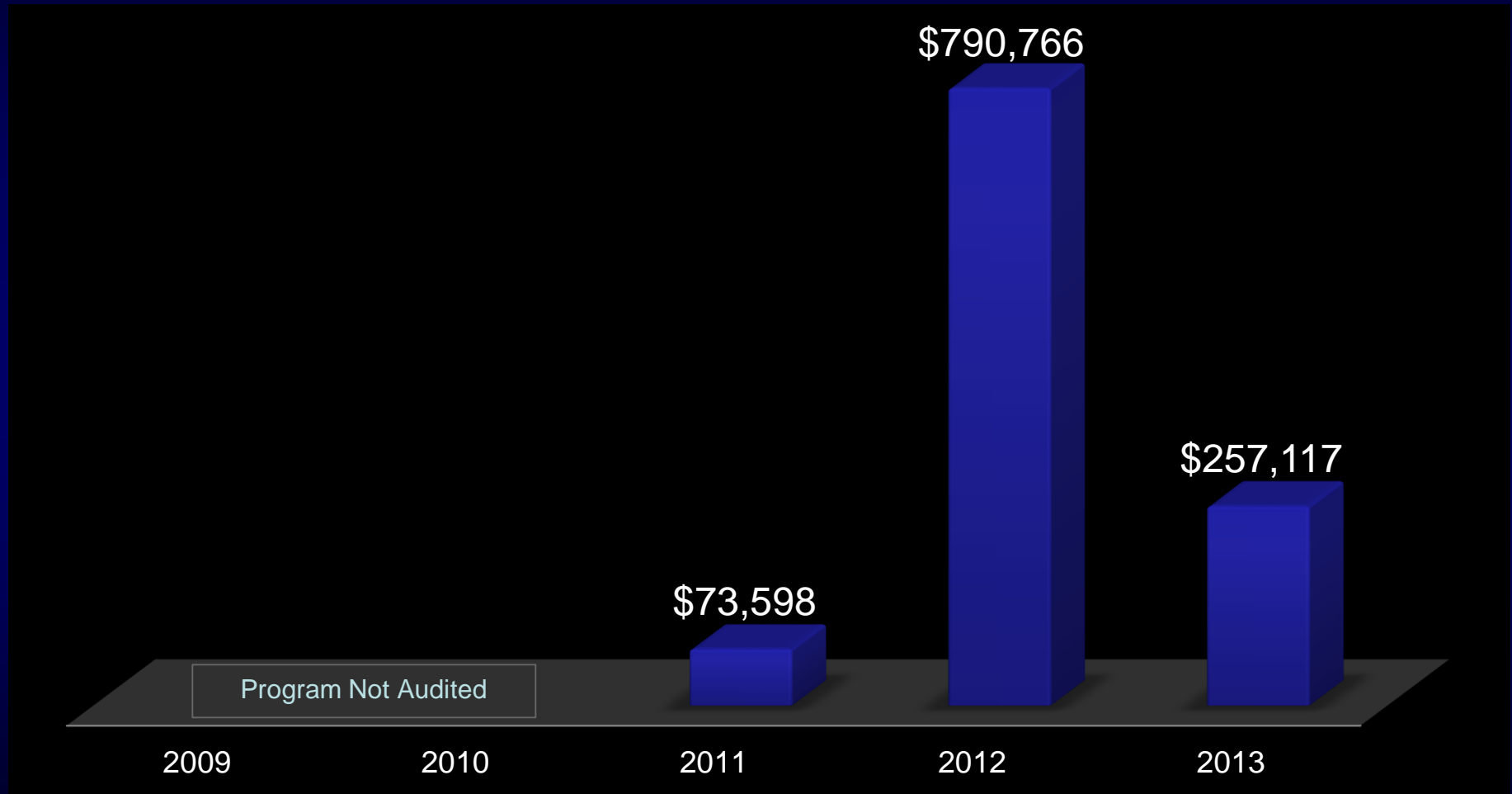
## Error Rates Identified

- Percentage of Cases Tested that Resulted in Questioned Costs
- Percentage of Cases Tested with Some Type of Error



# LIHEAP

## Projected Questioned Costs



# Additional Findings

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- Management Override of Internal Controls
- Cost Allocation Errors
- Reporting Errors
- Untimely Comparison of Wage Information



# Additional Findings

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- Inadequate Supporting Documentation for and Reconciliation of Expended Funds
- Noncompliance with Treasury-State Agreement
- Noncompliance with Cash Management Requirements





# Noted Improvements

- Multiple, large-dollar grants
  - Complex federal program requirements
- Decrease in number of errors identified
  - Multi-year trend for large programs
- Opportunities for continued improvement still exist



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